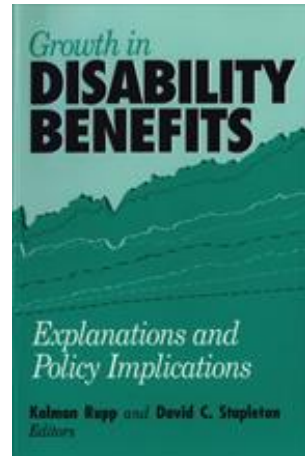




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Social security is a work disability construct, and work disability is a core concept for workplace disability managers as well. When a person is unable to work because of an illness or injury, an alternative income stream may be made available from public and private sources during the period of disability. Private sector disability management is an increasingly important influence over how the various disability programs interact. Studies done by insurers and academic researchers reveal that employers spend up to 1 percent of payroll on disability management. This includes a variety of programs to prevent disability or minimize disability impact, such as wellness programs, employee assistance plans, medical clinics geared toward minimizing disability, employee safety programs, claims management activities, and return-to-work programs.

Thus, workplace disability management can be defined as services and programs that involve providers, employers, and employees in promoting healthy workers and workplaces and that are believed to actually reduce the impact and cost of disability to all parties. The field is evolving in more sophisticated directions as its foundation becomes more grounded in the multifaceted and evolutionary nature of disability and recognizes the various contributors to disability. Its activities focus on both the employer or organizational level and on the individual worker.

With its development, workplace disability management is helping discover a host of contributors that affect why an individual cannot and does not work. Medical factors are among many multidimensional contributors that develop over time on a work disability continuum.

The demands of work, changes in work environment, economic conditions, family issues, and education are just a partial sample of the potential contributors or forces in each case. Given this circumstance, determining disability status under any program designed to provide income in lieu of work is as much art as science. As others have noted, this complexity can cause various levels of functional loss to be compensated, depending on definitions and decision-making approaches.

Workplace disability management often focuses on people who are unable to work because of a medical condition and, after a time, recover function. However, this field also concerns itself with worsening impairments and functional limitations that can be episodic. Accommodation or return to work for current employees in these situations, or hiring a person with this type of disability, raises a different set of issues.

Clearly, the framework for accommodation or return to work is different for a current employee (as distinguished from a job applicant). Employers have legal and moral obligations relating to the health, safety, and general welfare of employees. As a result, this is an area where we can more readily see the impact of workplace disability management and its relationship to Social Security Disability Income (DI).

The course of action for employees who become disabled is influenced by whether an illness or injury arose from work. The employer has liability in workers' compensation, and the employee recourse to litigation is more common. This can impact employment policy, both positively and negatively.

Other issues will come into play when the injury or illness is not work-related. For example, whether the employer provides health and disability benefits and whether those benefits are insured or self-insured will affect employment policy toward persons who become disabled. Employers paying for health and disability benefits in lieu of wages can be more eager to get the person back to work in order to minimize these payouts. By contrast, if insurance pays and the employer feels no direct or indirect costs that cannot be cost-benefit rationalized, the employer's motivation might be to replace the disabled person with a more productive employee or downsize and abolish the job. Benefit programs are either seen as a bridge to return a person to work or as a humane way to assist the person out of the

workplace and both techniques can improve productivity. Often it is the insurer advocating stay at work or return to work.

Disability management principles emphasize the costs of not managing disability. Potential savings sources range from the fundamental benefit of prevention to savings produced by returns to work or integration of health and disability benefits. The fact that the disability management field has recognized and advanced these principles is having an effect on employment policies. At one time, disability programs focused on assisting a qualified person to secure social security benefits to offset any private benefits. This still happens, but more often now as a last resort. The reason: disability managers have recognized that, absent a full recovery, return to work is much less likely once a person is receiving social security benefits. However, the last resort of securing social security benefits is still driven by employment policies, which do not focus on return to work. In this way, social security entitlement becomes a focal point in the increasingly complex interaction of workplace disability management and employment policy.

Social security eligibility is linked to these dynamics in another unique way. With its strict definition, often stricter than private programs, social security payment becomes a benchmark that the person truly cannot work. In effect, this relieves the insurer and employer of return-to-work responsibility and of at least part of the liability, assuming there is no recovery.

The wide expanse of the economic environment affects the employment of persons with disabilities. Employer cost-cutting caused by global competition, economic downturns, or shareholder demands are among the issues that will act upon employment policies. Social security disability experience is influenced by the range of business climate issues that affect employment policies.

Individual disability management outcomes are influenced by employee and employer motivations. The genesis, nature, and timing of the impairment will produce different outcomes, depending on where a person is in his or her work cycle. Issues such as how workers like their boss, their work environment, and whether they have worked with a disability or impairment before can all be relative to whether they seek disability payment. The employer's experience with the employee—past performance and whether that performance has been

poor because of attitude—will influence how the employer deals with an employee.

The nature of the impairment is important too. For example, comorbidity of untreated depression with other impairments can prevent a return to work. Work requirements may fit or accommodate well with some and not other disabilities.

Presuming an enlightened employer, employment policy with regard to persons with disabilities depends partly on persons wanting to work and having more incentive to work than to stay at home. It also depends on there being a job available that the person can do and wants to do. This is not meant to be uncomplimentary. Too often it makes more sense from the individual's perspective to stay home—there is too much to risk in even trying to go back to work, especially if health and cash benefits are at stake. Employers, for their part, may feel they have done their moral duty by paying social security and private benefit premiums.

Private sector disability management works regularly with all of the aforementioned incentives and disincentives. The field is having an increasingly important impact on employment policies. These activities become important considerations when addressing social security disability policy.